

JOINT AUDIT COMMITTEE NYW AUTHORITY MEETING 5/17/23

>> GOOD AFTERNOON, EVERYONE. I'M MAX VON HOLLWEG, THE CHAIR OF THE JOINT AUDIT COMMITTEE OF THE MUNICIPAL WATER FINANCE AUTHORITY IN THE NEW YORK CITY WATER BOARD. I'D LIKE TO ASK ALL PARTICIPANTS, IF YOU COULD, TO KEEP YOUR PHONES MUTED UNLESS YOU'RE TALKING. AND I'D NOW LIKE TO CONVENE THE MEETING BY ASKING DEB TO CALL A ROLL.

>> CONDUCTING THE ROLL CALL. MAX VON HOLLWEG.

>> I'M HERE.

>> ALFONSO CARNEY, JR.

>> PRESENT.

>> JONATHAN GOLDIN.

>> I'M HERE.

>> KELVIN SOUTHWELL.

>> PRESENT.

>> MARC SHAW.

>> HERE.

>> ADAM FREED.

>> HERE.

>> THANK YOU. WE HAVE A QUORUM.

>> THAT'S GREAT. THANKS, EVERYONE. AS ALWAYS, THE FIRST ORDER OF BUSINESS IS A RESOLUTION TO APPROVE THE MINUTES OF OUR LAST MEETING, WHICH WAS ON OCTOBER 12th OF LAST YEAR. IF SOMEONE THEN CIRCULATED-- I THINK DRAFTS OF THOSE MINUTES HAVE BEEN CIRCULATED TO EVERYONE. I'D NOW LIKE TO CALL FOR A RESOLUTION TO APPROVE THOSE MINUTES.

>> I'LL MOVE APPROVAL. CARNEY.

>> THIS IS JON GOLDIN. I'LL SECOND.

>> GREAT. THANK YOU. ANY DISCUSSION OF OR CHANGES OR COMMENTS ON THE DRAFT OF THE MINUTES THAT HAVE BEEN CIRCULATED? HEARING NONE, I NOW CALL A ROLL FOR A VOTE. MR. CARNEY, HOW DO YOU VOTE?

>> APPROVAL.

>> MR. GOLDIN, HOW DO YOU VOTE?

>> TO APPROVE.

>> MR. SOUTHWELL.

>> APPROVE.

>> AND MR. SHAW.

>> APPROVE.

>> AND MR. FREED.

>> APPROVE.

>> AND I, TOO, VOTE IN FAVOR OF THAT RESOLUTION. IT'S NOW APPROVED AND ADOPTED. THE NEXT ITEM ON THE AGENDA IS A REVIEW AND APPROVAL OF OUR--THE AUDIT COMMITTEE'S ANNUAL REPORT OF ITS ACTIVITIES DURING THE LAST CALENDAR YEAR AND OUR SELF-EVALUATION OF OUR OWN PERFORMANCE. THESE ITEMS ARE REQUIRED TO BE DONE PURSUANT TO OUR CHARTER, AND A REPORT OF OUR ACTIVITIES DURING CALENDAR YEAR 2022 HAS BEEN CIRCULATED. I THINK YOU'LL SEE WE MET IN MAY AND ALSO IN OCTOBER, FINALLY, TO APPROVE THE AUDIT. AND WE ALSO HAVE A DRAFT OF OUR SELF-EVALUATION OF OUR ACTIVITIES DURING THE PRIOR CALENDAR YEAR, WHICH DESCRIBES THOSE MEETINGS IN SOME GREATER DETAIL. AS I SAID, THIS IS A--A RESOLUTION ITEM AS WELL. AND I WOULD ASK FOR SOMEONE TO MOVE A RESOLUTION THAT WOULD EXPRESS OUR OPINION THAT WE'RE FUNCTIONING IN A SATISFACTORY MANNER AND AUTHORIZE THE REPORT OF OUR FINDINGS TO BE PRESENTED TO BOTH THE WATER AUTHORITY BOARD OF DIRECTORS AND THE WATER BOARD. ARE THERE ANY QUESTIONS REGARDING THE REPORT? OUR ANNUAL REPORT OR OUR SELF-EVALUATION?

>> IT LOOKS LIKE WE'RE DOING A TERRIFIC JOB, MR. CHAIRMAN, I LIKED THE REPORT.

>> WELL, I THINK IT'S--I WAS THINKING ABOUT THAT MYSELF AND THINKING THAT IT'S REALLY BECAUSE THE TWO ORGANIZATIONS THAT WE REPRESENT ARE DOING THEMSELVES SUCH A GOOD JOB. SO, I THINK IT REALLY STARTS THERE. UM... HEARING NO OTHER COMMENTS OR DISCUSSION, I'D LIKE TO NOW CALL FOR A-- THE ROLL FOR A VOTE ON THIS RESOLUTION. UM, MR. CARNEY, HOW DO YOU VOTE?

>> TO APPROVE.

>> MR. GOLDIN.

>> TO APPROVE.

>> MR. SOUTHWELL.

>> TO APPROVE.

>> UH, MR. SHAW.

>> MR. FREED.

>> APPROVE.

>> I, TOO, VOTE IN FAVOR OF THE RESOLUTION, AND IT IS HEREBY APPROVED. UM, FOLLOWING ITEM ON THE AGENDA IS A REVIEW OF OUR RESPECTIVE INTERNAL CONTROLS MANUAL. THIS IS A REVIEW ITEM THAT DOESN'T REQUIRE A RESOLUTION OR A VOTE, BUT PURSUANT TO OUR CHARTER, WE'RE CHARGED WITH REVIEWING THE RESPECTIVE INTERNAL CONTROL POLICIES OF THE AUTHORITY AND THE WATER BOARD EVERY YEAR. I NOTE THAT THERE HAVE BEEN NO PROPOSED CHANGES TO THE, UH, THE WATER BOARD'S INTERNAL CONTROLS. YOU'LL SEE THAT THERE'S ONE CHANGE THAT'S PROPOSED IN THE WATER AUTHORITY POLICY, AND IT CONCERNS A NEW SYSTEM, I BELIEVE, FOR DEALING WITH CHECK PAYMENTS AND WIRE TRANSFER PAYMENTS. UM, AS I SAID, RAYMOND LEE, THE COMPTROLLER OF THE AUTHORITY, AND OMAR NAZEM, THE TREASURER OF THE WATER BOARD, ARE AVAILABLE TO ANSWER ANY QUESTIONS THAT ANYONE HAS ABOUT THESE TWO INTERNAL CONTROL MANUALS. ARE THERE ANY QUESTIONS?

>> NONE HERE, MR. CHAIRMAN.

>> I, TOO, HAVE NO QUESTIONS ABOUT THESE TWO MANUALS. AS I SAID, THIS IS A REVIEW ITEM. NO RESOLUTION IS REQUIRED. LASTLY, I'D LIKE TO INTRODUCE GRANT THORNTON, THE AUDITORS, SO THEY CAN PRESENT THEIR AUDIT PLAN, INCLUDING ANY DISCUSSION OF NEW ACCOUNTING AND AUDITING STANDARDS THAT MAY BE APPLICABLE. DEB, I DON'T KNOW HOW MANY FOLKS WE HAVE FROM GRANT THORNTON ON THE--ON THE CALL, BUT I'LL LET THEM INTRODUCE THEMSELVES IF WE COULD.

>> GREAT. THANK YOU, MR. CHAIRMAN. WITH YOU TODAY IS NICK LAZZARUOLO. I SERVE AS THE AUDIT AND ENGAGEMENT PARTNER FOR THE WATER AND SEWER SYSTEM, AND I'M JOINED BY MY MANAGER, DAVID BRONFMAN. SO, THE TWO OF US ARE HERE TO PRESENT OUR AUDIT WORK PLAN.

>> THAT'S GREAT. PLEASE PROCEED.

>> OK, EXCELLENT. AND SO I KNOW THAT YOU GUYS HAVE HAD THE OPPORTUNITY TO REVIEW THE MATERIALS IN ADVANCE. SO, WHAT I'M GONNA DO IS I'M GOING TO COVER THEM AT A HIGH LEVEL AND THEN OPEN IT UP FOR ANY QUESTIONS THAT ANYONE MAY HAVE. SO, FIRST, WE'LL START BY DISCUSSING OUR RESPONSIBILITIES. AND SO, WE'LL BE PERFORMING AN AUDIT FOR THE NEW YORK CITY MUNICIPAL WATER FINANCE AUTHORITY AND THE NEW YORK CITY WATER BOARD, WHICH COLLECTIVELY WE'LL REFER TO AS THE NEW YORK CITY WATER AND SEWER SYSTEM AS OF AND FOR THE YEAR ENDED JUNE 30, 2023. AS PART OF OUR RESPONSIBILITIES, WE WILL BE RENDERING AN OPINION ON THOSE FINANCIAL STATEMENTS. IN ADDITION, WITHIN OUR OPINION, WE ARE REQUIRED TO READ CERTAIN SUPPLEMENTARY INFORMATION RELATING TO THE ICFR AS WELL AS THE REQUIRED SUPPLEMENTARY INFORMATION FOR THE WATER AND SEWER SYSTEM. IF, DURING THE COURSE OF OUR AUDIT, WE IDENTIFY ANY INSTANCES OF FRAUD, ABUSE, SIGNIFICANT NONCOMPLIANCE, MATERIAL WEAKNESSES, OR SIGNIFICANT DEFICIENCIES, WE WOULD BE REQUIRED TO REPORT THOSE FINDINGS IN WRITING TO THIS COMMITTEE AT THE CONCLUSION OF OUR AUDIT. AS--AS FAR AS MATERIALITY GOES FOR THE AUDIT, WE CONTINUE TO BELIEVE THAT TOTAL EXPENSES IS THE BENCHMARK WE WILL UTILIZE FOR THE SYSTEMS COMBINING FINANCIAL STATEMENTS, MATERIALITY FOR THE FISCAL 23 AUDIT, AND THAT IS CONSISTENT WITH PRIOR YEARS. OUR TIMELINE AND SCOPE IS ALSO CONSISTENT. WE PLAN ON PERFORMING THE MAJORITY OF OUR INTERIM AND PLANNING WORK IN THE JUNE-JULY TIMEFRAME; OUR SUBSTANTIVE TESTING, AUGUST THROUGH SEPTEMBER, AND THAT MEANS REALLY OUR FINAL FINANCIAL STATEMENT FIELD WORK WITH COMPLETION OF THE AUDIT AT THE END OF SEPTEMBER IN AN EFFORT TO BE ABLE TO PRESENT THESE AUDIT RESULTS TO YOU GUYS IN MID-OCTOBER AND ISSUE THE FINANCIAL STATEMENTS THEREAFTER UPON APPROVAL BY THIS COMMITTEE. OUR CLIENT SERVICE TEAM, I'M HAPPY TO REPORT, IS CONSISTENT WITH PRIOR YEARS. SO WE HAVE BEEN ABLE TO FILL A RECURRING TEAM, AND THAT HAS ALLOWED US TO CONTINUE TO IMPROVE THE EFFICIENCY OF THE AUDIT AS WE BECOME MORE AND MORE FAMILIAR WITH THE SCHEDULES AND WHAT WE NEED AND WHAT MANAGEMENT KNOWS THAT WE NEED, WE'RE ABLE TO WORK TOGETHER AND ALL THAT KNOWLEDGE THAT WE'VE OBTAINED FROM PRIOR YEARS REALLY COMES TO FRUITION AS WE EXECUTE THE AUDIT THIS YEAR. IN TERMS OF SIGNIFICANT RISKS, THEY CONTINUE TO BE OBVIOUSLY REVENUE AND RECEIVABLES. AND SO LOOKING AT THE VARIOUS REVENUE STREAMS OF THE NEW YORK CITY WATER AND SEWER SYSTEM, WE PERFORM REASONABLENESS TESTING ON THE REVENUE. WE ALSO PERFORM DETAILED SUBSTANTIVE TESTING. WE ALSO MAKE SURE THAT THE DESIGN AND OPERATING EFFECTIVENESS OF THE CONTROLS RELATING TO REVENUE RECOGNITION ARE THERE AND ENSURING THUS THAT REVENUE IS PROPERLY STATED DURING FISCAL 2023. ADDITIONAL RISKS THAT WE FOCUS ON CONTINUE TO BE THE VALUATION OF THE INVESTMENT PORTFOLIO. SO WE'LL CONFIRM ALL POSITIONS AT JUNE 30TH, AND WE'LL ALSO MAKE SURE THAT ALL REQUIRED DISCLOSURES ARE INCLUDED WITHIN THE FINANCIAL STATEMENTS. WE'LL LOOK AT ROLL FORWARDS OF THE UTILITY PLANT AND SERVICE AND CONSTRUCTION. WE'LL TEST THE DEPRECIATION EXPENSE FOR REASONABLENESS. WE'LL CONFIRM ALL OF THE OUTSTANDING DEBT, INCLUDING BONDS AND NOTES PAYABLE FOR THE YEAR AND MAKE SURE THAT THE FOOTNOTES ARE ADEQUATE AND COMPLETE. WE'LL ALSO TEST A SAMPLE OF EXPENDITURES

DURING THE YEAR, ENSURING THAT THOSE EXPENDITURES WERE INCURRED IN THE PROPER PERIOD, AND THAT ALSO THE CONTROLS AROUND THE DISBURSEMENT OF EXPENSES WERE, IN FACT, OPERATING EFFECTIVELY. AND WITHIN THE FINANCIAL STATEMENTS OF THE NEW YORK CITY WATER AND SEWER SYSTEM, THERE ARE ESTIMATES. AND WHAT WE DO IS, WE ENSURE THAT THOSE ESTIMATES ARE BASED UPON METHODOLOGIES THAT ARE CONSISTENT AND MAKE SENSE IN LIGHT OF THE BUSINESS OF THE WATER AND SEWER SYSTEM CONDUCTS. ONCE WE'RE COMFORTABLE WITH THOSE METHODOLOGIES, WE THEN RECALCULATE AND ENSURE THEY'RE APPROPRIATELY RECORDED WITHIN THE GENERAL LEDGER. WHEN WE RECEIVE THE DRAFT FINANCIAL STATEMENTS FROM THE MANAGEMENT TEAM, WE PERFORM A THOROUGH REVIEW OF THE FINANCIAL STATEMENT FOOTNOTE DISCLOSURES TO ENSURE THAT THEY ARE COMPLETE AND ACCURATE AND THAT WE DON'T HAVE ANY OMITTED DISCLOSURES. IN ADDITION TO THE FINANCIAL STATEMENT AUDIT PROCEDURES THAT WE PERFORM, WE ALSO HAVE INFORMATION TECHNOLOGY AUDITORS AS PART OF OUR OVERALL AUDIT TEAM THAT COME IN AND REVIEW THE DESIGN AND OPERATING EFFECTIVENESS OF THE FINANCIAL REPORTING SYSTEMS THAT THE WATER AND SEWER SYSTEM USE. SO, THAT WAY, WE CAN RELY UPON THE REPORTS THAT ARE GENERATED TO EXECUTE UPON THE PLAN THAT I JUST MENTIONED. AND IF THERE WERE ANY INHERENT WEAKNESSES IDENTIFIED BY OUR TEAM AS PART OF THAT AUDIT, WE WOULD BE REQUIRED TO INCLUDE THOSE COMMUNICATIONS AS PART OF OUR OVERALL RESPONSIBILITY. SO, JUST WANTED TO MAKE SURE THAT YOU GUYS WERE AWARE OF THE FACT THAT THAT IS A PART--THAT IS A PART OF OUR AUDIT PROCESS. AND WITH THAT, THAT CONCLUDES OUR FORMAL REMARKS, BUT HAPPY TO OPEN IT UP TO ANY QUESTIONS ANYONE MAY HAVE.

>> UH. NONE. NONE HERE. I'M SORRY. I THOUGHT I DID, BUT I DON'T.

>> ANYONE ELSE HAVE ANY QUESTIONS OF THE AUDITORS WHILE WE HAVE THEM? UH, WELL, LET'S--ARE WE GONNA TALK ABOUT FRAUD FOR A MINUTE? CAN WE TALK ABOUT FRAUD FOR A MINUTE, NICK? I'M NOT RAISING THE QUESTION BECAUSE I HAVE CONCERNS. I DON'T. BUT I REALLY WANT TO UNDERSTAND, AND I DO THIS EVERY YEAR, WHAT WE DO--WHAT YOU DO TO ANALYZE THE POSSIBILITY OF FRAUD, THE AREAS WHERE FRAUD MIGHT BE MORE POSSIBLE THAN OTHER AREAS. HELP ME THROUGH THAT, IF YOU WILL.

>> YEAH, GREAT, GREAT QUESTION, MR. CHAIRMAN. AND YES, WE WERE GOING TO COVER THAT TWOFOLD. SO, I WILL--I WILL TALK TO YOU GUYS ABOUT THE SPECIFIC PROCEDURES WE PERFORM. AND AT FIRST, I'LL SAY THIS. OUR AUDIT IS NOT DESIGNED TO DETECT FRAUD, BUT WE DO DESIGN PROCEDURES WITH REGARDS TO RISKS THAT COULD POTENTIALLY CAUSE MATERIAL MISSTATEMENT OF THE FINANCIAL STATEMENTS. AND SO, THE MAIN FRAUD PROCEDURE THAT WE PERFORM IS REALLY THE MANAGEMENT OVERRIDE OF INTERNAL CONTROLS. AND THE WAY THAT WE MITIGATE THIS RISK IS, WE'RE ACTUALLY ABLE TO USE SOME OF OUR AUDIT--AUDIT--AUTOMATION TOOLS THAT WE'VE GENERATED THROUGH AI, PARTICULARLY ONE THAT'S CALLED WHOLE LEDGER ANALYTICS. SO, WHAT WE'RE ABLE TO DO--

>> I'M SORRY, IT'S CALLED--

>> IS WE'RE ABLE TO—

>> WHAT'S IT CALLED?

>> WHOLE LEDGER ANALYTICS.

>> OK.

>> AND SO, WHAT WE'RE ABLE TO DO IS, WE'RE ABLE TO GET A COMPLETE DOWNLOAD OF THE GENERAL LEDGER FOR THE YEAR. SO, ALL THE JOURNAL ENTRIES THAT WERE ENTERED IMPUTED IN OUR SYSTEM AND BASED UPON VERY SPECIFIC ALGORITHMS THAT ARE RUN, GENERATE A SAMPLE OF JOURNAL ENTRIES THAT ARE DEEMED TO BE OF HIGHER RISK. AND SO WHAT DOES THAT MEAN? THAT MEANS THAT WE ARE ABLE TO LOOK AT 100% OF THE POPULATION AND TEST LESS SELECTIONS BECAUSE OF THE FACT THAT WE'RE ABLE TO ANALYZE THE ENTIRE POPULATION. AND SO, THAT REALLY IS THE MAIN FRAUD RISK AREA THAT WE SEE WITH THE WATER AND SEWER SYSTEM. AND THAT'S HOW WE LOOK TO MITIGATE THE RISKS ASSOCIATED WITH THAT. AND THEN, PART OF OUR RESPONSIBILITIES AS WELL IS TO ASK THIS COMMITTEE IF THEY ARE AWARE OF ANY FRAUD, WHISTLEBLOWER COMPLAINTS, OR ANY OTHER MATTERS THAT MAY HAVE COME TO YOUR ATTENTION DURING THE YEAR THAT COULD POTENTIALLY IMPACT THE AUDIT THAT WE ARE ABOUT TO CONDUCT.

>> IS THIS WHERE WE DO THAT? IS THIS WHERE YOU ASK US?

>> YES.

>> OK, THEN. THEN IS CARNEY, AND I AM--I AM NOT AWARE OF ANY FRAUD OR POTENTIAL FRAUD ITEMS THAT SHOULD BE BROUGHT TO THE ATTENTION OF THE EXTERNAL AUDITORS.

>> AND THIS MAX VON HOLLWEG. NOR AM I.

>> JOHN GOLDIN HERE. I AM NOT EITHER.

>> MARC SHAW, NEITHER.

>> ADAM FREED. NONE.

>> THANK YOU.

>> AND THANK YOU, NICK. IT'S A GOOD QUESTION. IT'S A GREAT WAY TO GET IT DONE.

>> MR. CHAIRMAN, DID I--DID I ANSWER YOUR QUESTION—

>> YOU DID.

>> SATISFACTORILY?

>> WELL, YOU ACTUALLY GAVE ME A LOT MORE INFORMATION THAN I WAS PREPARED FOR, BUT THANK YOU VERY MUCH FOR THAT! I APPRECIATE IT.

>> YOU'RE VERY WELCOME.

>> DOES ANYONE ELSE HAVE ANY FURTHER QUESTIONS FOR THE GRANT THORNTON TEAM?

>> UH, ONE QUESTION. MAX, IT'S AL CARNEY AGAIN. UM, UH, I KNOW THE PEOPLE WHO ARE IN THE ROOM, BUT IF YOU HAD TO--IF YOU HAD TO EVALUATE OUR. UH, OUR SUPPORT OF THE--OF THIS, OF YOUR EFFORT, AND YOU HAD TO GRADE US FROM A TO--A TO F, WHAT WOULD YOU GIVE US?

>> WELL, I WOULD SAY THAT YOUR TEAM IS PROBABLY ONE OF THE STRONGEST TEAMS I DEAL WITH. I'M THE SIGNING PARTNER, OBVIOUSLY, ON THIS ENGAGEMENT. I ALSO WORK WITH THE SINGLE AUDIT TEAM, AND I'M PART OF THE OVERALL CITY'S AUDIT. AND I WOULD SAY THAT THE INDIVIDUALS AND THE MANAGEMENT TEAM THAT WE WORK WITH HERE, UM, ARE EXTREMELY STRONG. THEY UNDERSTAND THE BUSINESS OF THE WATER AND FINANCE AUTHORITY AS WELL AS THE WATER BOARD. THEY'RE ABLE TO ARTICULATE VERY CLEARLY WHAT THE CONTROLS ARE IN ALL AREAS. WHEN WE ASK QUESTIONS, THERE IS NOT A LONG DELAY BEFORE WE RECEIVE ANSWERS, BUT THE ANSWERS WE DO RECEIVE ARE ALWAYS THOUGHTFUL AND ON POINT. AND I KNOW THAT RAYMOND LEE IS NEW FOR THIS YEAR, BUT I HAVE HAD THE ABILITY TO WORK CLOSELY WITH RAYMOND IN OTHER ASPECTS OF DIFFERENT AUDITS, AND I CAN TELL YOU THAT HE IS AN EXTREMELY KNOWLEDGEABLE AND THOROUGH, UM, INDIVIDUAL. AND I HAVE NO DOUBT THAT HE IS GONNA GET UP TO SPEED, IF NOT ALREADY, VERY QUICKLY AS PART OF THIS PROCESS, AND CERTAINLY WE WILL BE THERE TO ASSIST HIM IN THAT MANNER AS WELL. SO, OVERALL, VERY HIGH REMARKS FOR YOUR MANAGEMENT TEAM.

>> THANK YOU, NICK. THAT WAS A TERRIFIC ANSWER. I WAS GOING TO ASK WHETHER OR NOT--WHAT THE--WHAT THE CURVE LOOKS LIKE AS WE LOSE AN EXPERT LIKE BOB BALDONI AND GO TO RAYMOND LEE. I WANTED TO ASK, AND I KNOW WE'RE IN FRONT OF THE ENTIRE CROWD. THIS IS NOT AN EXECUTIVE SESSION. SO, UH, BUT I THANK YOU FOR SAYING THOSE THINGS. IT GIVES ME SOME DEGREE OF COMFORT. I'VE ACTUALLY THOUGHT ABOUT THAT, BUT I'VE NOT CALLED ANYBODY TO ASK.

>> YOU'RE VERY WELCOME.

>> AND WE CERTAINLY--WE CERTAINLY APPRECIATE THAT FEEDBACK AND LOOK FORWARD TO ANOTHER SUCCESSFUL AUDIT AND SUCCESSFUL YEAR.

>> THANK YOU.

>> THANK YOU.

>> THANK YOU.

>> ANY FURTHER QUESTIONS?

>> NONE HERE, MR. CHAIRMAN.

>> I THINK THAT WAS OUR LAST ORDER OF BUSINESS. IF THERE'S NO FURTHER BUSINESS, I'D NOW CALL THE ROLL FOR A VOTE TO ADJOURN. MR. CARNEY.

>> LET'S DO IT. LET'S ADJOURN.

>> [CHUCKLES] OK. MR. GOLDIN.

>> I'LL SECOND THAT.

>> MR. SOUTHWELL.

>> IN FAVOR.

>> MR. SHAW.

>> IN FAVOR.

>> MR. FREED.

>> APPROVE. IN FAVOR.

>> AND I, TOO, AM IN FAVOR OF ADJOURNMENT. THANKS, EVERYONE, FOR YOUR PARTICIPATION. THE JOINT AUDIT COMMITTEE MEETING IS NOW ADJOURNED.